### November 23, 1992

Ms. Donna R. Searcy Secretary Federal Communications Commission 1919 M Street, N.W., Room 222 Washington, D.C. 20554

> RE: Call Letter Request from WZKT to WAYB Waynesboro, Virginia

Dear Ms. Searcy:

The undersigned is the permittee of FM broadcast Station WAYB, Grayville, Tennessee. Pursuant to Section 73.3550(n), I hereby consent to the change in call sign for standard broadcast Station WZKT, Waynesboro, Virginia, to WAYB. When the call change is made effective, I will modify the call sign of Station WAYB, Grayville to add the suffix "-FM" and will so advise the Commission.

Sincerely,

Richard C. Wagner 4 Rockhaven Lane

Signal Mountain, TN 37377

[42355]

#### ANTI-DRUG ABUSE ACT CERTIFICATION

The applicant certifies that, in the case of an individual applicant, he or she is not subject to a denial of federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853a, or, in the case of a non-individual applicant (e.g. corporation, partnership or other unincorporated association), no party to the application is subject to a denial of federal benefits pursuant to that section. For the definition of a "party" for these purposes, see 47 C.F.R. § 1.2002(b).

| X Yes             | □ No      |
|-------------------|-----------|
| Name of Applicant | Signature |
| SlocuMedia, Inc.  | Sur Ne    |
| Date              | Title     |
| November 21, 1992 | President |

FOO MAI SECTION 239

# FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

October 30, 1992

REPLY REFER TO: 8910-SML

James K. Edmundson, Esq. 1301 K Street, NW Suite 900, East Tower Washington, DC 20005

In re: WZKT (AM)

Waynesboro, VA

Dear Sir or Madame:

This letter concerns your pending request for authority to remain silent. Temporary authority is hereby granted for the above-referenced station to remain silent through January 30, 1993.

On December 11, 1991, the Commission adopted a Report and Order (copy attached) which amended Part 1 of the Commission's Rules, to implement Section 5301 of the Anti Drug Abuse Act of 1988. Pursuant to the Report and Order, any requests for extension of this authority must be accompanied by a certification that neither the applicant nor any party to the request is subject to a denial of Federal benefits under Section 5301. Please use the attached certification page to comply with this requirement.

Any further requests for extension of this authority must be accompanied by a detailed summary of steps taken to return the station to on-air operations. It will be necessary to maintain prescribed tower lighting in accordance with the stations license authorization. If an extension is not required, you are requested to notify the Commission, in writing, of the exact date the station resumes on-air operations.

In the event that any AM station remains silent for a period over 6 months, it will be necessary to file with the Commission, prior to returning the station to on-air operations, an FCC Form 302 for direct measurement of power which should include a partial proof of performance for stations with directional antennas.

Sincerely,

James R. Burtle Chief, AM Branch

Audio Services Division

Mass Media Bureau

44 Grandwiew Manor Court Waynesboro, VA (22980 September 23, 1992

Mr. James Burtle Chief, AM Branch Federal Communications Commission 1919 M Street, NW Washington, DC 20554 AM BRANC. SEP 29 1992

Dear Mr. Burtle:

I am a mother who has two children enrolled at Old Dominion Preschool and Learning Center in Waynesboro, Virginia. The center is leasing the building that used to be radio station WZKT AM. I read a Public Notice in the Saturday, September 19, 1992 issue of *The News-Virginian* that truly struck a nerve. Apparently, ownership of the radio station is changing and the new owners have submitted an application to the FCC to transfer the license. Obviously they want to operate the station.

I feel, as a concerned parent, that this application should be denied on the basis that it could be detrimental to the health and well being of my children as well as the other children at the center. The tower is located within a few feet of the playground and I do not feel it would be safe to expose these children to radiation.

I ask that you carefully look into this situation before making any decisions on whether or not to transfer this license. I would appreciate hearing back from you on this issue as soon as possible.

Thank you for your attention.

Sincerely,

Lesley A. Pultz

cc: Dr. Thomas Gorsuch, Mayor - City of Waynesboro Senator Frank Nolen Delegate Pete Giesen

### PUBLIC NOTICE

On September 2, 1992, there was tendered for filing with the Federal Communications Commission an application to assign the license of standard broadcast Station WZKT, which is authorized to operate on 1490 kilohertz at Waynesboro, Virginia, from SlocuMedia, Inc. to Hometown Media, Inc. The officers, directors and stockholders of SlocuMedia, Inc., are Leon P. Harris, Kenneth Bowman, Nancy Bowman, and Earl Judy, Jr. The officers, directors and stockholders of Hometown Media, Inc. are Phillip C. Showers and Yolanda Showers. A copy of the application and related material are on file for public inspection at: Clerk of Council Office, Room 215, 250 S. Wayne Avenue, Waynesboro, Va.

9-19-92 The News-Virgnian

## ORIGINAL

### GARDNER, CARTON & DOUGLAS

1301 K STREET, N.W.

SUITE 900, EAST TOWER

WASHINGTON DC 20005

CHICAGO ILLINOIS

WRITER'S DIRECT DIAL NUMBER

Catherine M. Withers

(202) 408-7114

(202) 408 7100 FACSIMILE 202 289-1504

RECEIVED

August 26, 1992

AUG 26 1992

Federal Communications Commission Office of the Secretary

Ms. Donna R. Searcy Secretary Federal Communications Commission 1919 M Street, N.W. Room 222 Washington, D.C. 20554

Re: Notification of Consummation

Station WZKT

ALF SO SON

File No. BTC-920408EC Waynesboro, Virginia

Dear Ms. Searcy:

Transmitted herewith on behalf of SlocuMedia, Inc. are an original and four (4) copies of a notification of consummation, confirming that the transfer of control of Station WZKT at Waynesboro, Virginia, approved pursuant to File No. BTC-920408EC, has been consummated.

Should any questions arise with respect to this matter, kindly contact this office.

Sincerely

Catherine M. Withers

Enclosure

AUG 26 1992

### Notification of Consummation

Federal Communications Contrassion Office of the Secretary

I, Leon P. Harris, President and 25.51% stockholder of SlocuMedia, Inc., hereby notify the Commission of the consummation of the transfer of control of the majority interest in SlocuMedia, Inc., licensee of Station WZKT at Waynesboro, VA, from John G. Leake, Trustee, to Leon P. Harris, Kenneth D. Bowman, and Nancy M. Bowman in accordance with Commission authorization (File No. BTC-920408EC). Consummation occurred on

8/24/92

Leon P. Harris, President

SlocuMedia, Inc.

### FEDERAL COMMUNICATIONS COMMISSION

WASHINGTON DC 20554

IN REPLY REFER TO

**2**4 JUN 1992

8910-MAG

Catherine M. Withers, Esq. M. Scott Johnson, Esq. Gardner, Carton & Douglas 1301 K Street, N.W. Suite 900, East Tower Washington, DC 20005

In re: Application for Consent to Assign License of Station WZKT(AM), Waynesboro, Virginia BAL-910408EA; Application for Consent to Transfer of Control of License of Station WZKT(AM), Waynesboro, Virginia, BTC-920408EC

#### Dear Counsel:

This letter is in reference to the above-captioned applications. The first application, File No. BAL-910408EA, sought Commission approval to assign the license of WZKT(AM) from SlocumMedia, Inc. ("SlocumMedia") to Tschudy Communications Corporation ("Tschudy"). A petition to deny that application was filed on May 14, 1991 by Leon P. Harris ("Harris") on behalf of Waynesboro Broadcasting Limited Partnership ("the partnership"). Harris' petition alleged that the partnership had sold the station to SlocumMedia in 1989, taking back a note secured by the station's transmitter and studio equipment. Harris also asserted that the partnership now owned the transmitter and the station's equipment based on SlocumMedia's default on the secured note. Harris further stated that the partnership owns the real property on which the station's offices, studios and tower are located and that the partnership has taken action against SlocumMedia in state court based on overdue payments on the lease for that property. Therefore, the partnership opposed the sale of the station to Tschudy, alleging that the proposed transaction constituted the sale of a bare license. In this regard, Harris also asserted that Scott Slocum ("Slocum"), President and controlling stockholder of SlocumMedia, had filed for bankruptcy and that the station had been off the air since December 1990.

While this application was pending, John G. Leake was appointed Trustee of the personal estate of Slocum by order of the United States Bankruptcy Court for

the Western District of Virginia declaring Slocum bankrupt pursuant to a petition under Chapter 7 of the United States Bankruptcy Code. Slocum's personal estate included 50 shares of stock in SlocumMedia, which constituted 51.02% of the stock of that corporation, a controlling interest. Thus, Leake, in his capacity as trustee, filed an application for consent to an involuntary transfer of control of SlocumMedia, BTC-920106EA. This application was approved by staff action on January 24, 1992. On April 8, 1992, Leake, who now controls the licensee pursuant to court order, requested that the pending application to assign the license from SlocumMedia to Tschudy be dismissed. Furthermore, Leake filed the above-captioned application seeking Commission approval to transfer control of SlocumMedia from himself, as trustee, to Leon P. Harris ("Harris"), Kenneth D. Bowman and Nancy M. Bowman ("the Bowmans"), who are the individual partners of Waynesboro Broadcasting Limited Partnership ("the partnership"). Leake asserts that the bankruptcy court has approved the sale of Slocum's stock in SlocumMedia to the partnership for \$500.00. This application is not contested.

We will dismiss the pending application for consent to assign the license of WZKT(AM) from SlocumMedia to Tschudy. We note that this application was effectively rendered moot by the staff's action of January 24, 1992 which granted the involuntary tranfer of control of the license to Leake as trustee of the bankruptcy estate of the controlling shareholder of SlocumMedia. Furthermore, we note that Harris and the Bowmans constitute the partnership, the station's previous licensee, and therefore control the station's real property, equipment and transmitter. Consequently, grant of the application for transfer of control of SlocumMedia from Leake to Harris and the Bowmans will place control of the assets and the license of WZKT(AM) in the same parties, consistent with Commission policy. See, e.g., Kirk Merkley, Receiver, 94 FCC 2d 829, 830-31 (1983) recon. denied, 56 RR 2d 413 (1984) (subsequent history omitted). Furthermore, we note that the bankruptcy court has approved the sale of Slocum's stock in SlocumMedia and a copy of the order authorizing the sale is included in the subject transfer of control application. The subject transfer of control application also states that the station will resume operations upon grant of that application.

Based on the foregoing and our independent review of the above-captioned applications, we find no substantial and material question of fact sufficient to demonstrate that dismissal of the pending application to assign the license of WZKT(AM) from SlocumMedia to Tschudy and grant of the pending transfer of control application would be inconsistent with the public interest.

We note that the subject application to transfer control of SlocumMedia to Harris and the Bowmans indicates that Harris and the Bowmans are negotiating to acquire the remaining 48.98% interest in the license, presently held by Earl Judy ("Judy"). In this regard, the application indicates that upon acquisition of the remaining shares of stock, Harris and the Bowmans will own the entire corporation with the stock being distributed among the three individuals 50%, 25% and 25% respectively. However, we are approving only the transaction now before us and, therefore, the licensee remains SlocumMedia, Inc. Harris and the Bowmans will collectively control 51.02% of the corporation and the remaining 48.98% of the corporation will be controlled by Judy.

Accordingly, the request of John G. Leake, Trustee, for dismissal of the application for consent to assign the license of WZKT (AM) from SlocumMedia, Inc., to Tschudy Communications Corporation, IS HEREBY GRANTED, and the subject application, File No. BAL-910408EA, IS DISMISSED. Furthermore, the application for consent to transfer control of SlocumMedia, Inc., the licensee of WZKT (AM), Waynesboro, Virginia, from John G. Leake, Trustee, to Leon P. Harris, Kenneth D. Bowman and Nancy M. Bowman, File No. BTC-920408EC, IS HEREBY GRANTED, subject to appropriate conditions concerning the resumption of broadcast operations.

Sincerely,

Larry D. Eads, Chief Audio Services Division

Mass Media Bureau

cc: John G. Leake Scott Slocum

JT GINAL

### GARDNER, CARTON & DOUGLAS

1301 K STREET N W

SUITE 900. EAST TOWER

WRITER'S DIRECT DIAL NUMBER

WASHINGTON, D.C. 20005

CHICAGO, ILLINOIS

Catherine M. Withers (202) 408-7114

(202) 408-7100 FACSIMILE: 2021 289 1504

RECEIVED

April 8, 1992

APR - 8 1992

Ms. Donna R. Searcy, Secretary Federal Communications Commission 1919 M Street, N.W., Room 222 Washington, D.C. 20554

That Communication, University Office of the Secretary

Re:

Voluntary Dismissal

FCC Form 314

Station WZKT (AM)

BAL-910408EA

Waynesboro, Virginia

Dear Ms. Searcy:

Transmitted herewith are an original and two copies of a request for voluntary dismissal of the pending application for assignment of Station WZKT at Waynesboro, Virginia (File No. BAL-910408EA).

Should any questions arise with respect to this matter, kindly contact this office.

Sincerely,

Catherine M. Withers

Enclosure

## Request for Withdrawal of Assignment Application APR - 8 1992

I, John G. Leake, Trustee of 51.02% of the voting shares of the voting application for assignment of that station be dismissed (File No. BAL-910408EA). At the time that the assignment application was filed, Scott Slocum was the majority stockholder of the licensee. However, by Court action in the United States Bankruptcy Court for the Western District of Virginia (Harrisonburg Division), Scott Slocum was declared bankrupt and an Order was entered appointing me as Trustee of his estate, including his shares in SlocuMedia, Inc. FCC permission was sought and granted for transfer of Mr. Slocum's 51.02% interest (50 shares) in the licensee to me (File No. BTC-920106EA) and, accordingly, I have positive control of the licensee.

Pursuant to a Motion to Sell Unencumbered Personal Property, the Court has issued an Order authorizing the sale of the 50 shares of SlocuMedia now controlled by me to Waynesboro Broadcasting Limited Partnership for the sum of Five Hundred Dollars (\$500.00). Pursuant to the Court Order an application for transfer of these shares is being simultaneously filed herewith under separate cover. Accordingly, it is respectfully requested that the pending application for assignment of that station be dismissed.

321.72

Date

John G. Leake. Trustee

MMGICTU

### Tschudy Communications Corporation 15 Campbell Street Luray, Virginia 22835

703-743-3000

August 21, 1991

Mr. James R. Burtle Chief AM Branch Federal Communications Commission Audio Services Division Mass Media Bureau 1919 M Street, N.W. Washington, DC 20554

AUG 26 1991

AM BRANCH

Re: 8910-JLM, WZKT, Waynesboro, WA File No. BAL-910408EA

Dear Mr. Burtle:

In response to your letter of July 23, 1991, and the above referenced application, we have an equipment proposal from Hall Electronics, Charlottesville, VA (see attached), which is acceptable to Tschudy Communications Corporation and will be purchased immediately upon the approval by the Federal Communications Commission of subject application. Also, attached hereto is a proposal from Shenandoah Tower Services which is also acceptable to Tschudy Communications Corporation upon approval of the subject application.

The new tower/transmitter location will be leased from Mr. Carl Hewitt, Waynesboro, VA, which is located within the required two mile radius of the existing WZKT transmitter site.

If you need additional information, please contact the undersigned.

Earl Jady, Jr.

EJj/sa

I, the undersigned, certify that a copy of this letter with attachments have been forwarded by U. S. mail this date to:

Leon P. Harris, Partnership (BBHP)

Waynesboro Broadcasting Limited Partnership (WBLP

Waynesboro, Virginia

EARK JUDY, JR.



**Broadcast Equipment & Supplies** 

| TRANSMISSION TO  | Mr.Earl Judy Tschudy Communications Corp |
|------------------|--|
| FAX NUMBER 703   | 477-2937 / 703-743-3000                  |
| DATE Aug. 20, 19 | 91                                       |
| DOGE 1 CF        | 2F.G.C                                   |

We are pleased to offer the following equipment proposal for your Waynesboro facility:

|    | WZKT-Waynesboro, VA  |            |
|----|--|------------|
| 1. | Reconditioned Gates Model BC-lT, 1 kw AM Broadcast Transmitter, tuned and tested on 1490Khz with 90 day warranty             | \$5,995.00 |
| 2. | Reconditioned Antenna tuning unit for use with 165ft tower on 1490thz  | 895,00     |
| 3. | 300ft air dielectric 7/8" transmission line used. Unit price \$3.00/ft   | 900,00     |
| 4. | Sparta A-20B 8 pot mono audio console, reconditioned   | 700.00     |
| 5. | Russco 12" turntable, with microtrak tone arm, Qty. 2, Reconditioned, with NEW stanton 680 E phono cart. Unit price \$225.00 | 450.00     |
| 6  | Reconditioned ITC Tri deck cart player, mono, one cue tone   | 1,695.00   |
| 7  | Reconditioned ITC mono record/play recorder, one cuc tone  | 1,295.00   |

(804) 974-6466

Fax (804) 974-6450



Broadcast Equipment & Supplies

Bob Bousman - Sales Engineer

1305-F Seminole Trail · Charlottesville, VA 22901



Broadcast Equipment & Supplies

|     | TRANSMISSION TOTschudy Communications Corp   | age 2       |
|-----|--|-------------|
|     | FAX NUMBER   |             |
|     | DATE   |             |
|     | nose to the transfer of the tr |             |
| 8.  | Revox Model A-77 Reel to Reel recorder, 3.75/7.5ips. Stereo, Reconditioned   | , \$ 895.00 |
| 9.  | Audio-Technica Model ATM-25, Dynamic studio 159.0 microphone, NEW  |             |
| 10. | . Hnat-Pines mono Tri-Maze, tri-band audio processor 1,320.0   |             |
| 11. | Reconditioned CCA Model AMM~IT Modulation monitor  | 495.00      |
| 12. | 1000ft reel, West Penn CL291 twisted shielded pair audio cabye   | 79.00       |
|     | Total Equipment  | \$14,878.00 |
|     | Less Package Discount  | 1,278.00    |
|     | Package Price  | \$13,600.00 |
|     | Manager For Cach Mittle Obder Dalance Ob   | DESTUERY    |

(804) 974-6466

Fax (804) 974-5450

HE HALL Electronics

Broadcast Equipment & Supplies

Bob Bousman - Sales Manager

1305-F Seminole Trail - Charlottesville, VA 22901

The undersigned accepts this proposal subject to FCC approval of transfer of license of WZKT to Tschudy Communications Corp.

Earl Judy, Jr. Presdient

1305-F Seminole Trail - Charlottesville, VA 22901

(804) 974-6466 · Fax (804) 974-6450

### PROPOSAL

| From:  | То:   |
|--|---|
| Shenandoah Tower Service, LTD P.O. BOX 956 STAUNTON, VA 24401 (703) 886-6525 • FAX (703) 886-3624  | Mr. Rick Williams Tshudy Broadcasting Corp. 15 Campbell Street Luray, VA 22835  |
| David H. Anthony, President  |   |
| <b>Dated:</b> 8/21/91  |   |
| We propose to: provide and install one Rot transmitter site near Wayne for 70 MPH winds and 1/2"   | esboro. VA. The tower is designed   |
| A ground screen consisting mesh and 120 each #10 copperates be installed.  | of a 24' x 24' expanded copper<br>er radials, each 165' long will   |
| Price is based on a cleared  | i site and normal soil conditions.  |
| 60 days ARO  |   |
| Finance Charge 2% (24% Per Year)   | nd Payable Upon Receipt added on any outstanding balance after 30 days. all other exemptions pertaining to the collection of above sum or |
| ient agrees to pay any collection costs, including reas  | onable attorney fees in event of non-payment.   |
| Any alterations or deviation from above specifications w   | vill become an extra charge over and above the estimate.  |
| SHENANDOAH TOWER SERVICES, LTD is not responents of God.  This proposal is valid for45 days.  Respectfully submitted by:   | nsible for delays beyond our control, such as strikes, accidents, or  |
| the yell   | August 21, 1991  Date   |
| David H. Anthony, President  | CE OF PROPOSAL  |
| This proposal must be signed and returned to SHENANI above agreement. The above prices, payment terms, specifications and corsens the second s | nditions are satisfactory and are hereby accepted.  o do the work as specified Subject To FCC Appro                                       |
| 1 Presi  | don't Aug 21, 1991  |
| Signature and Title  | Uate .  |

303

# FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

JUL 23 4 04 PM '91

IN REPLY REFER TO:

8910-JLM

OB. 23 JUL 1991

Mr. Earl Judy Tschudy Communications Corporation 15 Campbell Street Luray, VA 22835

> In re: WZKT(AM), Waynesboro, Virginia File No. BAL-910408EA

Dear Mr. Judy:

This is in reference to your application for the assignment of the license of station WZKT from SlocuMedia, Inc. to Tschudy Communications Corporation (BAL-910408EA). A joint objection against that application was filed on May 14, 1991 by Waynesboro Broadcasting Limited Partnership ("WBLP") and Kenneth D. Bowman, Nancy M. Bowman and Leon P. Harris Partnership ("BBHP"). The objection alleged that Tschudy Communications Corporation, the assignee, has not made arrangements to obtain assets used in connection with the operation of the radio station.

Such an assignment of a license alone without assets is termed a "bare license" and is forbidden by Commission policy. This longstanding policy, articulated in Van Schoick Enterprises, Inc., 58 F.C.C.2d 341 (1976) and many other reported cases, strictly forbids assignment of a license to a party who lacks the equipment necessary to resume broadcasting in the foreseeable future. The basic reason for the policy of requiring a station's physical assets to accompany the authority to operate a station is to ensure, consistent with the Commission's public interest mandate, that assignees of licenses will be able to resume broadcasting within a reasonable time. If a proposed licensee is unable to demonstrate sufficiently that it has or will obtain the necessary assets, efficient use of the broadcast spectrum demands that the Commission cancel the license and delete the call letters in order to free up the frequency for others who may wish to broadcast. See, e.g., Bennett Gilbert Gaines, Interlocutory Receiver (WCBM)(AM), 5 F.C.C. Rcd. 2052, 2053 (1990).

l See, e.g., Edward B. Mulrooney, 13 F.C.C.2d 946 (1968); Radio KDAN, Inc., 11 F.C.C.2d 934 (1968); Bonanza Broadcasting Corp., 10 F.C.C.2d 906 (1967).

We note that in your letter of June 27, 1991 you state that Tschudy Communications Corporation is "ready, willing and able to purchase all the required equipment to place WZKT back to operational status as soon as the FCC grants the assignment of this application." However, a mere statement indicating that Tschudy Communications plans in the future to obtain such assets is too speculative and will not satisfy the requirement that an assignee obtain assets used in connection with operation of the subject station. Rather, the assignee must make a showing that it either has obtained such assets prior to the FCC's grant of the assignment or that it has firm plans to obtain such assets immediately upon receiving FCC authorization. Such a showing may include, if appropriate, a copy of a signed contract made between the assignee and a supplier of assets for purchase or lease of such assets as a transmitter, studio or other equipment used in connection with radio broadcasting. In this regard, the parties may condition performance under the terms of the contract upon Commission approval of the application.

In view of the foregoing, in order to continue prosecution of the instant application, you must within 30 days of the date of this letter file with the Commission an exhibit showing that Tschudy Communications Corporation will in fact obtain assets used in connection with the operation of station WZKT.

Your response to the foregoing inquiry must also be filed with proof that a copy was served upon WBLP and BBHP. WBLP and BBHP will then have 10 days from receipt thereof to file a reply. Failure to respond in timely fashion to this request will result in dismissal of your application pursuant to Section 73.3568(b) of the Commission's Rules.

Sincerely

James R. Burtle Chief, AM Branch

Audio Services Division

Mass Media Bureau

cc:

Leon P. Harris, Partner WBLP and BBHP



## LEON P. HARRIS

(703) 982-8844

3602 MELROSE AVE., N. W., ROANOKE, VA. 24017

Mr. Sylvester Williams FCC Room 342 1919 M St., N.W. Washington DE 20554

SUBJECT: "Application for Consent to Assignment of Broadcast Station

Construction Permit or License" - Dated April 4, 1991

Assignor: SlocuMedia, Inc.

Assignee: Tschudy Communications Corporation

Call Letters: WZKT AM Location: Waynesboro, VA.

Dear Mr. Williams:

Thank you for your recent call during which we discussed our position as creditors to SlocuMedia, Inc. and the status of discussions or negotiations relating to studios, tower/antenna, transmitter equipment, offices and real estate previously used in WZKT operation. The following paragraph will summarize our position and status as it relates to the business Assets and to the property used by WZKT:

- 1. Kenneth D. Bowman, Nancy M. Bowman and Leon P. Harris Partnership, is a Partnership that owns the building, real estate and transmitter tower used in connection with the operation of Radio Station WZKT-AM. We entered into a Lease arrangement with SlocuMedia, Inc. on December 1, 1989 for the above described property. SlocuMedia, Inc. became delinquent on rental payments early in 1990. After multiple meetings and notices of delinquency during the summer and fall, we sent SlocuMedia, Inc. the attached letter (Exhibit 1). Discussions of substance relating to prevention of re-entry and repossession and/or to renegotiating a lease have been negligible with the four attached documents (Exhibit 2, 3, 4, & 5) relating to same.
- 2. Waynesboro Broadcasting Limited Partnership (WBLP), a partnership that sold to SlocuMedia, Inc. on August 10, 1989 the Assets and Contracts used in connection with the operation of a Radio Station known as WZKT-AM, Waynesboro, Virginia. That arrangement subsequently approved by the FCC, included a Secured Note from the Partnership on all the Equipment (including transmitter and studio equipment) used in operating WZKT-AM. The above referenced Note was registered for security purposes with the Virginia State Corporation Commission. The attached letter (Exhibit 1) was again the culmination of multiple efforts to find an alternate solution to the overdue installment payments. Exhibits 2, 3, 4, & 5 are representative of the lack of discussion and negotiation.

Mr. Sylvester Williams July 16, 1991 Page 2

We have just received notice from the U. S. Bankruptcy Court for the Western District of Virginia that SlocuMedia, Inc. did on July 5, 1991 file for Bankruptcy under Chapter 7(copy Arthered).

Absent resolution of the above mentioned Notes and Leases involving transmitter, tower, studios and real estate, we oppose the transfer of a Bare License and question how soon or if broadcast will resume. We also find great objection in a "No Monetary Consideration" Agreement to Assignment.

Sincerely,

Leon P. Harris

with the same of t

Partner

WAYNESBORO BROADCASTING LIMITED PARTNERSHIP KENNETH D. BOWMAN, NANCY M. BOWMAN,

LEON P. HARRIS PARTNERSHIP

EXHIBIT 1

## The Law Offices of EDWARD M. BURNS II, P.C.

108 South Wayne Avenue Post Office Drawer 1809 Waynesboro, Virginia 22980

(703) 949-4832

FAX (703) 943-0701

December 7, 1990

SlocuMedia, Inc. Attention: Scott Slocum, President 1304 Ivy Street Waynesboro, Virginia 22980

Re: Default under Lease Agreement for 1304 Ivy Street, Waynesboro, Virginia and under Note and Security Agreement with Waynesboro Broadcasting Limited Partnership

Dear Mr. Slocum:

Our office represents Leon Harris and Kenneth and Nancy Bowman, owners of the above real estate who are landlords (the "Landlord") under lease for that real estate with SlocuMedia, Inc. as tenant (the "Tenant"). Our office also represents Waynesboro Broadcasting Limited Partnership, a Virginia limited partnership (the "Partnership") who is the creditor and secured party under a security agreement from SlocuMedia, Inc. as debtor securing obligations of SlocuMedia, Inc. with respect to purchase of assets used at the above address in connection with the operation of radio station WZKT AM.

The Tenant has previously been notified in writing that rent due the Landlord under such lease agreement is past due and delinquent. As of this date the Tenant is in default in payment of rent for the months of August, September, October and November, 1990 at \$2,500.00 per month, for a total delinquency in rent of \$10,000.00. Rent for December, 1990 will become due and payable in the amount of \$2,500.00 on December 10, 1990.

SlocuMedia, Inc. is also delinquent and in default in payments due under the promissory note evidencing the unpaid purchase price for the assets acquired by SlocuMedia, Inc. from the Partnership and used in the operation of radio station WZKT. The assets pledged by SlocuMedia, Inc. under the security agreement mentioned above are security for performance of the note and the payment obligations under it. Currently payments under the note are delinquent and in default for the months of August, September, October and November, 1990, each in the amount of \$2,000.00 for a total of \$8,000.00 now delinquent. A further payment of \$2,000.00 will come due under the note on December 25, 1990. SlocuMedia, Inc. has previously been given written notice of delinquency of these payments.

This is to advise you that unless all payments to be made and performances to be kept by the Tenant under the lease agreement are brought current by 5:00 p.m. Thursday, December 13, 1990, the Landlord will exercise its right of re-entry and repossession of the premises subject to the lease agreement.

This is also to advise you that unless the payments to be made and the performances to be kept under the security agreement and the note which it secures are not fully paid and performed by 5:00 p.m. Thursday, December 13, 1990, the Partnership will exercise its right to seize all assets subject to the security agreement.

Please govern yourself accordingly.

Sincerely,

Edward M. Burns, II

Counsel for Leon P. Harris, Kenneth and Nancy Bowman Counsel for Waynesboro Broadcasting Limited Partnership

### EMBII/slp

cc: SlocuMedia, Inc.

Attention Scott Slocum, President P.O. Box 105
Fishersville, Virginia 22939

Mr. Earl Judy Jr. Mr. Leon P. Harris EXHIBIT 2

### JOHN L. MATHERLY

CERTIFIED PUBLIC ACCOUNTANT

P. O. Box 1423

Waynesboro, Virginia 22980 Telephone (703) 943-7147 Telecopier (703) 943-1832

MEMBER
VIRGINIA SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

October 30, 1990

Mr. Robert Janney Janney & Janney 12 South Court Street Luray, VA 22835

Dear Mr. Janney:

MEMBER

AMERICAN INSTITUTE OF

CERTIFIED PUBLIC ACCOUNTANTS

I discussed the conversation we had on the Slocum agreement with the Waynesboro Broadcasting partners. In response to the lease of the real estate they would offer either of the following arrangements:

- (1) A ten year lease on the entire property for \$2500 per month plus cost of living increases.
- (2) A two year lease on the tower and building at \$800 per month with WZKT responsible for making any needed repairs to building housing transmitter.

Please let me know which would be preferable.

Very truly yours,

me Mitted

John L. Matherly

JLM:jer

cc: Mr. Leon Harris

EXHIBIT 3

### JANNEY, JANNEY & MCGRATH

ATTORNETS AT LAW

18 SOUTH COURT STREET

P. O. BOX 106

LURAY, VIROTHIA 28685 - OLGO

žody (). Jannet Bobežt 6. Janney John J. Modarn, Jb.<sup>8</sup>

\*ALEG ADMITTED IN DIFFRICT OF COLUMBIA AND NEW YORK 700-740-0890 PAX 700-740-4049

December 12, 1990

Edward M. Burns, II, P.C. P.O. Drawer 1809 Waynesboro, Virginia 22980

VIA FAX AND FIRST CLASS
MAIL

RE: SlocuMedia, Inc.

Dear Ed:

I have a copy of your December 7, 1990, correspondence to SlocuMedia, Inc., a copy of which was forwarded to my client, Earl Judy, Jr.

I believe that you are aware that Mr. Judy made an investment in SlocuMedia, Inc. and has arrived at an agreement to purchase the assets of SlocuMedia, Inc. subject to the fulfillment of certain contingencies of SlocuMedia, Inc.

My understanding is that to date, SlocuMedia, Inc. has not fully performed and satisfied all of the contingencies under the terms of that agreement but nevertheless my client believes that the transaction can be completed in accordance with his agreement with Mr. Slocum.

I have discussed the matter on several occasions with John Matherly and I believe the biggest impediments to working out arrangements at this time would be as to the terms of a long term lease on the transmitter site at a reasonable rent. The standing offer is for a two year lease at \$800 per month. I do note that there is an offer of a ten year lease on the entire property for \$2,500 per month plus cost of living increases and I do not believe that that is acceptable at this point.

Mr. Judy has advised me that he would like the opportunity to discuss the matter with your client, Mr. Harris, and yourself and I would hope that arrangements could be made in the near future to sit down to see what can be reasonably agreed to among the parties in this matter.

I would point out to you that should the noteholder proceed to foreclose, all the noteholder could obtain would be possession of the leased premises and possession of the personal property